#### INTERNATIONAL DEFENSE EDUCATIONAL ARRANGFMFNT

## **National Cultures and Practices**

### Barriers and Facilitators in International Cooperative Acquisition Projects

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his article presents a unique database reflecting the views of many experienced government participants in international cooperative programs. While other writings on this subject reflect the views of only a single expert, or are related to intercultural business and personal relationships, our analysis focuses on government-to-government project rela-

tionships between the United States Department of Defense and the British, German, and French Ministries of Defense.

#### The Data **Gathering Process**

The International Defense Educational Arrangement (IDEA) is an arrangement between ac-

quisition educational institutions in the United States, United Kingdom, Germany, and France. Those eligible to attend IDEA-sponsored seminars are Defense Department/Ministry and defense industry employees from the four IDEA nations who are actively engaged in international defense acquisition programs.

From this audience of acquisition professionals, the IDEA conducted surveys and gathered the data upon which this article bases its observations. Survey respondents came from two forums: an IDEA-sponsored acquisition/procurement seminar held in July of 1996 at the Royal Military College of Science in Shrivenham, United Kingdom; and an-

other held in July of 1997 at the Federal Academy of Defense Administration and Military Technology in Mannheim, Germany. 1,2 (The Defense Systems Management College and the Centre des Hautes Études de l'Armement are the

U.S. and French member institutions, respectively.)

During the seminars, the IDEA conducted workshops to gather data on the cultural interactions and national

Kwatnoski is the Director of International Acquisition Courses, Executive and International Department, School of Program Management Division, DSMC. The author's intent, in this article, is to emphasize the usefulness of information gathered during two international seminars, not to offend any participating nation by highlighting differences of viewpoint. There was, however, an attempt to group similar results to state unanimous, majority, or significant viewpoints. The user of this information is cautioned regarding definite conclusions because of the small sample sizes available for the analysis.

practices their acquisition professionals viewed as either facilitators or barriers to international cooperative projects, both transatlantic and intra-European.

While this article presents all the results, its primary focus is on the transatlantic relationships. Here we present the intra-European relationships for completeness and comparison. While we made every attempt to examine the cultural interactions and national practices of the four nations, there was insufficient British participation to obtain an adequate amount of data reflecting their views.

#### Analyzing the Results

The data gathering was essentially identical during both IDEA Seminar workshops. Facilitators segregated seminar participants into national teams and gave them identical worksheets to fill out. These worksheets asked participants to identify the nation that they worked with most frequently, and to identify the cul-

tural aspects and national practices associated with that nation that helped or hindered cooperation in international acquisition projects.

The worksheets were then grouped by responding

nation and analyzed by the IDEA. During the analysis effort, IDEA took every precaution to retain the same wording as found on the original worksheets. In many cases the exact meaning of comments submitted by survey respondents is not clear, but subsequent elaboration and clarification proved impractical. The results are, therefore, unfiltered and quite candid, and should be useful to those contemplating future cooperation with the IDEA participating nations that responded. Figure 1 summarizes the data sets obtained by IDEA during the two seminars.

Working With the United Kingdom from the U.S. Perspective

**CULTURAL DIFFERENCES** 

#### **Facilitators**

One answer obviously prevails – commonality of the language. However, a

The results are unfiltered and quite candid, and should be useful to those contemplating future cooperation with the IDEA participating nations that responded.

third of the Americans from the 1996 seminar mentioned this as the biggest barrier to working with the British. This might be explained by a belief at first that there is understanding with a com-

mon language, and a realization later that there was misunderstanding over differing meaning of the words in British and American usage.

Survey participants expressed the view that the British and Americans share a similar background, heritage and history, as well as an alliance, both formal and historical. Americans viewed the British as sincere, hospitable, and friendly.

Additional cultural characteristics mentioned were diplomacy and clarity of expression, an openness and willingness to explain, along with a sharing of lessons learned. Logical, sensible decision making without being hierarchical in communications was seen as a facilitator as well.

#### **Barriers**

The answers that prevailed during the 1997 seminar referred to the British maintenance of place in their social structure, reserved and formal behavior, an island-fortress mentality, excessive national pride, and the time zone difference.

In 1996, two answers prevailed: the differences in the language and a work ethic perceived to be lesser than that of Americans. No other answer was mentioned more than once.

FIGURE 1. Data Sets Obtained from IDEA Seminars

Responding Nation	Nation Addressed	1996 Seminar	1997 Seminar	Total Number
United States Germany France	United Kingdom X	X X X	X 12 X	23 6
Germany France United Kingdom	United States X X	X X X	X 5 5	9
France France United Kingdom	United States X X	X X	X Response 6 3 + Group Response	Group

FIGURE 2. Summary of U.S. Views on Working With the United Kingdom, Germany, or France

Nation	Aspect	Facilitators	Barriers
United Kingdom	Cultural Differences	Commonality of language Similar Heritage	Differences in language Lesser work ethic Social structure Reserved, formal behavior
	National Practices	Similar acquisition practices. (e.g. competition) Desire to cooperate with U.S Necessity for work share Competent acquisition workforce Stability of people and organization	Budget: process and fiscal conservatism Necessity for work share Subjective procurement procedures
Germany	Cultural Differences	Work ethic Speaking German	Language National pride Belief in technical superiority
	National Practices	Acceptance of English as international language Stability of funding Desire to cooperate with U.S.	Organizational structure and bureaucracy Priority of employment and European cooperation
France	Cultural Differences	Expertise in hosting meetings and social events	Reluctance to speak English at meetings Lengthy response times Lengthy, formal lunches
	National Practices	Openness	Bureaucracy Very formal meetings Long decision-making cycle Government ownership of defense industry

There was a view of a lesser sense of urgency, commitment, and responsibility. Americans viewed the British as occasionally indirect, evasive, distanced, conservative, reserved, superior in attitude, distrustful of strangers, and avoiding of confrontation.

Additional cultural characteristics mentioned were a British propensity to be very formal and regimented, with a reliance on procedure.

#### NATIONAL PRACTICES

#### Facilitators

Unlike the cultural aspects, there was little consensus on the national practices

favorable to working with the United Kingdom. Two aspects were mentioned twice, each during the 1997 seminar: similar acquisition practices, especially with respect to competition in contracting, and a desire to cooperate with the United States

During the 1996 seminar, survey respondents mentioned two aspects, two or three times: a competent, well-educated acquisition workforce, and the stability of people and organizations associated with a project. A number of aspects were mentioned once, and some sound more like cultural aspects, rather than national practices.

There was recognition of the long-standing relationship between the two nations, high-level communication, and similarity of practices and interests. Other aspects viewed as facilitating cooperation were management's long-term planning and project focus, reduced budgets as a driver, emphasis on "value for money," the government-industry relationship, similarity of contract law, a straightforward policy on cooperation, and minimal Parliamentary oversight.

Also mentioned were Scientist & Engineer Exchanges and increasing standardization [with the United States].

#### Barriers

Consensus from both seminars was that the biggest barrier was related to budget considerations, either the process or fiscal conservatism. The necessity for work shares and subjective procurement procedures was also mentioned. The holiday schedule and emphasis on job protection in the United Kingdom were both mentioned.

A list of differences leading to barriers includes policies, procedures, national interests, requirements, fiscal year, standard contract clauses, the government-industry relationship, and management structure. Also mentioned were fear of losing capability, a strong, unmotivated Civil Service, centralized power and authority, an ad hoc approach to identifying cooperative projects, and a willingness to accept second best.

Figure 2 summarizes U.S. views on working with the United Kingdom.

#### Working with Germany from the U.S. Perspective

#### Cultural Differences

#### Facilitators

The German work ethic stood out as the greatest facilitator from the American perspective from the 1997 seminar. In 1996, the ability for an American to speak German stood out as the greatest facilitator for working with Germans. Also noted were German politeness, enthusiasm, and punctuality, as well as the Germans seriousness of purpose, reliability of

commitment, and mutual respect and understanding.

#### Barriers

The overwhelming answer was the language barrier. Also mentioned to a lesser degree was the German national pride, rigid belief in their technical superiority, and distance and time zone differences. Survey participants viewed the Germans as conservative, rigid, inflexible, stubborn, formal, and legalistic. Also noted as a barrier was the American lack of understanding of the German culture.

#### NATIONAL PRACTICES

#### Facilitators

Favorable to cooperation between the United States and Germany was the German acceptance of the use of English as the international language. While this may be true, caution must be exercised because of the high emphasis placed on problems related to the language barrier under cultural differences.

Mentioned with the same frequency were the stability of German funding and their desire to work with the United States. Also viewed as favorable to cooperation between the United States and Germany were a history of cooperation, a similar acquisition process, and an understanding of national practices. Also, the German attention to detail was viewed as a facilitator.

#### Barriers

Survey participants viewed the German organizational structure (Ministry of Defense versus Central Procurement Organization) as a barrier to cooperation, along with barriers associated with German bureaucracy and decision making. The strong relationship between government-industry, and favored contractors was mentioned as well during the 1997 seminar. In 1996 barriers most often noted were the different priorities of the Germans regarding employment and European cooperation.

The Americans viewed as problem areas for cooperation the different budget cycle, timetables, and a hierarchical, centralized authority. Also mentioned was a perception that the Germans had a narrow focus.

Figure 2 summarizes views on working with Germany from the U.S. perspective.

## Working with France from the U.S. Perspective

#### Cultural Differences

#### Facilitators

During the 1997 seminar, only the French expertise in hosting meetings and social events was mentioned most often. In 1996 nothing specific with regard to French and American cultural differences was mentioned as favorable to cooperation.

#### Barriers

The barrier mentioned unanimously during the 1997 seminar was that the French were reluctant to speak English during meetings with Americans. Also viewed as barriers were lengthy response times and the French practice of lengthy, formal lunches. The latter point was mentioned with frequency during both seminars.

The Americans noted that the French expected too much similarity, and did not appreciate [the difficulties in dealing with] the U.S. bureaucracy. Viewed as a barrier was the French perception that the United States never finishes international programs.

#### NATIONAL PRACTICES

#### Facilitators

Only one area was mentioned more than once. That was an acknowledgement of a French openness, but in selected areas and only once an individual knew their ways. Nothing else was mentioned more than once. However, mentioned were the good relationship between the United States and French military, scientist and engineer exchanges, and a desire for cooperation. The Americans also viewed the French as flexible, and as having shorter staffing times.

#### Barriers

The main barrier was seen as the French bureaucracy, very formal meetings, and a long decision-making cycle. Also hindering cooperation between France and the United States was the government ownership of French defense industry, and the resultant requirement for offset

arrangements with relatively expensive French companies.

Survey respondents also saw the French as less than forthcoming on everything and difficult to obtain answers from. However, although survey respondents viewed this as a barrier, an equivalent number of respondents viewed French openness as a facilitator.

Also viewed as a barrier during the 1996 seminar was the insistence on speaking French when all spoke English. Mentioned also was an American perception that the French professional development may be too focused, thereby sometimes missing the big picture. Survey respondents also viewed a French lack of understanding of U.S. funding profiles as a barrier.

Figure 2 summarizes views on working with France from the U.S. perspective.

### Working with the United States from the German Perspective

#### Cultural Differences

#### Facilitators

Half the German respondents during the 1997 seminar left this blank or replied Not Applicable [N/A]. Mentioned once was American tolerance and their predominately European cultural origin. In 1996 the Germans viewed the Americans as open-minded and easygoing with U.S. postures [positions]. Also mentioned was the pragmatic approach taken by Americans, rather than being focused on principles.

#### Barriers

Half the German respondents again left this blank or replied N/A during the 1997 seminar, while half also mentioned the language barrier. The German survey respondents mentioned the American lack of language skills most frequently as a barrier during the 1996 seminar as well. Mentioned once each was a low interest by Americans in European politics, and the American leadership mentality.

Mentioned as a barrier in 1996 was the "U.S.-only" mentality. Also mentioned as a barrier was "Less historical back-

FIGURE 3. Summary of German and French Views on Working With the United States

Nat	tion	Aspect	Facilitators	Barriers
Gerr View Work With	s on	Cultural Differences	Tolerance Similar cultural origin Open-minded Easygoing with positions	Language U.S only mentality Low interest in Europe
		National Practices	Desire to leverage resources Interest in high technology Common requirements Structured organization Fairness and openness	Regulations: Too rigid (e.g. The FAR), numerous and changing frequently Inability to adopt other national practices Unreasonable security controls Buy-American attitude
French Views on Working With U.S	Cultural Differences	Convivial nature Good technical objectivity Capacity for self-criticism	Variable national relationship: strong to weak Limited mutual confidence	
	National Practices	Ability to afford new programs Strong technical approach Willingness to share information	Tension between selling armaments and armaments cooperation Complex organizations Protectionist practices	

ground." [Here, we suggest no interpretation as to the survey respondent's meaning or intent].

#### NATIONAL PRACTICES

#### Facilitators

Mentioned twice was the American desire to leverage resources through cooperative projects. Mentioned once each was an interest in high technology, common requirements, clearly structured organization, fairness and openness, and the ability to overcome national interests and be serious about cooperation. Also mentioned was an American understanding of the problems of Democratic Parliamentary machinery.

#### **Barriers**

The Germans mentioned a number of barriers when working with the United States. From the data analyses, a consensus emerged regarding U,S. regulations being rigid (specifically mentioning the Federal Acquisition Regulations), too numerous, and changing too frequently.

Also mentioned by the German survey respondents were indications of a certain rigidity by the United States in adopting other national regulations or practices, unreasonable security controls, and a buy-American attitude.

Other items mentioned were the different time schedules, budget cycles, financial and legal systems, lack of funds and support from superiors. Also mentioned was that the United States considers cooperation after it is too late.

Figure 3 summarizes views on working with the United States from the German perspective.

## Working with the United States from the French Perspective

#### Cultural Differences

#### Facilitators

The French saw Americans as convivial, with good technical objectivity, and a capacity for self-criticism.

#### Barriers

The French mentioned that the relationship with the United States varies from strong to weak, and that limited mutual confidence exists between the two nations.

#### NATIONAL PRACTICES

#### Facilitators

The French mentioned the American ability to afford new programs, a strong technical approach, and a willingness to share information, even when the United States has the majority of the information.

#### Barriers

The French observed a tension between selling armaments and armaments cooperation. They mentioned also the complex U.S. organization and protectionist practices.

Figure 3 summarizes views on working with the United States from the French perspective.

# Intra-European View — Working with the United Kingdom from the German Perspective

#### Cultural Differences

#### Facilitators

Most of the German respondents left this blank. One replied that the British were polite and helpful.

#### Barriers

Nearly all the respondents mentioned the language barrier. Mentioned once were British formality, and different work habits and education.

#### NATIONAL PRACTICES

#### Facilitators

Mentioned once each was meeting at high levels, common management agencies, and cooperative negotiations.

#### Barriers

Nationalism was mentioned twice, with no elaboration of specifics. Also mentioned were competition, leadership among partners, strong procedures, different regulations, and slow decisions.

Figure 4 summarizes working with the United Kingdom from the German perspective.

## Intra-European View – Working with the French from the German Perspective

#### Cultural Differences

#### Facilitators

Several Germans mentioned that the French were open to new solutions and creative in problem solving. Also mentioned were knowledge of the German language, personal contacts, similar European culture, and hospitality.

#### **Barriers**

Several mentioned the language barrier. Mentioned once was different professional training, dependency of hierarchy, and long lunches.

#### NATIONAL PRACTICES

#### Facilitators

Mentioned once each was integrated teams, similar professional backgrounds, joint training and seminars, the French Acquisition Corps, cooperation between the military and industry, small project management offices, and well-defined objectives.

#### Barriers

The overwhelming response was the French bureaucratic process and decision making. Also mentioned once each was different fiscal years, lack of clear interest in cooperation, a national orientation, and the relation between government and industry.

Figure 4 summarizes working with the French from the German perspective.

## Intra-European View – Working With the United Kingdom from the French Perspective

#### Cultural Differences

#### **Facilitators**

French survey respondents viewed the British practice of putting everything in writing as helpful with the language barrier. Another observation was that the British were frank and efficient. [We leave the interpretation of the comment about "good French food and Paris" to the reader.]

#### **Barriers**

Somewhat surprising was that a comment viewed by the French as a "Facili-

tator" also surfaced as a barrier: the British practice of putting everything in writing. Also mentioned was a British propensity to achieve perfection before making a decision.

#### NATIONAL PRACTICES

#### Facilitators

Mentioned as favorable to cooperation were the many years of cooperation between the two nations, as well as similar size of the countries and defense industries. Also mentioned were agreement of legal advisors in broad terms, and the lack of great differences in procurement rules and regulations. Mentioned as well were the British budget planning, delegation of power, and speed at applying a decision once it is reached.

The French also mentioned the similar technological level in most fields, and a willingness to share technology. Also mentioned was the British capability to make decisions at intermediate levels.

#### Barriers

British practices viewed as barriers were their Equipment Approval Committee (EAC) process, adherence to the principle of competition without considering market reality, and different administrative procedures and contract requirements (e.g., penalties, advance payments, and competition).

The French observed that the United Kingdom seemed to have "one foot in Europe; one foot in the United States." Also mentioned was the best-value-formoney approach with unpredictable consequences, as well as a complex, long-term approach to cooperation.

Figure 4 summarizes working with the British from the French perspective.

#### Intra-European View – Working with the Germans from the French Perspective

#### Cultural Differences

#### Facilitators

French survey respondents viewed the Germans as serious about work, clear, orderly, and possessing initiative. Also mentioned were the similar sizes and proximity of the two countries, a com-

mon admiration, and a similar vision of the future.

#### Barriers

Consensus from the respondents was that the Germans were rigid in their dealings with the French. Also mentioned was a different view of authority and responsibility, and fragmented decision making.

Several other items surfaced, but only once each. The French observed a difficulty in establishing trust because of history. Mentioned also were certain differences: German consensus versus French centralized decision making, importance of formal rules versus informal relationships, and the necessity of order versus changing priorities. Also mentioned was the language difference.

#### NATIONAL PRACTICES

#### Facilitators

The French mentioned their long partnership in armaments cooperation with the Germans, common PC software, and a common view on the importance of reports. The French also observed a strong political will to cooperate.

Also mentioned were that the Germans were committed to a project when their Parliament approved it, and decisions by Parliament were rarely changed.

#### Barriers

The French cited meddling by, and the difficulty of obtaining approval of, a project from the German Parliament. Also mentioned were a rigid adherence to national law, difficulty in understanding who is in charge, and a lack of funds because of the European Fighter Aircraft (EFA) priority.

Figure 4 summarizes working with the Germans from the French perspective.

#### Usefulness Is in the Eye of the Beholder

While this analysis provides potentially useful information for dealing with our major cooperative acquisition partners, certain key issues seem to prevail in most of our international dealings with the United Kingdom, Germany, and France.

FIGURE 4. Summary of German and French Views on Working With Their Intra-European Counterparts

Nation	Aspec	Facilitators	Barriers
German Views on Working With U.K.	Cultural Differences	Insufficient Data	Language
	National Practices	Insufficient Data	Nationalism
German Views on Working	Cultural Differences	Open to new solutions Creative in problem solving	Language
With France	National Practices	Insufficient Data	Bureaucratic process Decision making funding
French Views on Working With U.K.	Cultural Differences	Putting everything in writing Frankness Efficiency	Putting everything in writing Language Propensity to achieve perfection before making a decision
	National Practices	History of cooperation Similar size of countries, defense industries and technological levels Agreement of legal advisors in broad terms Similar procurement rules and regulations Budget planning Speed at applying decisions Willingness to share technology Ability to make decisions at intermediate levels	EAC Process Competition principles Different administrative procedures and contract requirements "One foot in Europe; One foot in the U.S." Best value for money principle Complex, long-term approach to cooperation
French Views on Working With Germany	Cultural Differences	Serious about work Clear Orderly Possessing initiative Similar size and proximity Common admiration Similar vision of the future	Rigid Different view of authority and responsibility Fragmented decision making
	National Practices	Long partnership in cooperation Common PC software Importance of reports Political will to cooperate Commitment	German Parliament Rigid adherence to law Understanding who is in charge Lack of funds due to EFA

Particular attention to the following key issues should significantly improve armaments cooperation with our European allies:

- Language
- Work Ethic
- Funding/Budget
- Bureaucracy and Organizational Structure
- Government—Industry Relationships
- Response Times
- Formalities
- Regulations and Controls
- Armaments Cooperation vs. Arms Sales
- Protectionism
- Rigidity

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